



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

AIR QUALITY CLASS I PERMIT

COMPANY: North American Sleekcraft
FACILITY: North American Sleekcraft Mfg.
PERMIT #: 35743
STATUS: Draft
DATE ISSUED: 2007-01-25 DRAFT
DATE EXPIRES:

SUMMARY

This Class I Major Source Air Quality Control Permit is issued to NAS Manufacturing, Inc., a fiberglass boat manufacturing facility located at 1100 N. Lake Havasu Ave. in Lake Havasu City, Mohave County, Arizona.

Fiberglass boats are manufactured at the facility utilizing a hand lay-up open mold method. This method starts out with a mold, which is covered with a wax to ensure easy removal of the finished product from the mold after it has cured. The gel coat is added to the mold in a spray room. The mold is allowed to dry and the first laminate of resin and fiberglass is applied. After the last layer of resin is applied, the mold is allowed to air dry.

The plant structure has one main emission point with a stack of 30 feet above ground level. Pollutant emissions from the facility consist mainly of Styrene, Acetone, and Methyl Ethyl Ketone Peroxide (MEKP) which is the process catalyst and is used in very small quantities. This facility has the potential to emit more than 10 tons of styrene annually.

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ATTACHMENT "A": GENERAL CONDITIONS

Air Quality Control Permit No. 35743 For North American Sleekcraft Mfg.

I. PERMIT EXPIRATION AND RENEWAL

[A.R.S. § 49-426.F; A.A.C. R18-2-304.C.2; A.A.C. R18-2-306.A.1]

- A. This permit is valid for a period of five years from the date of issuance.
- B. The Permittee shall submit an application for renewal of this permit at least 6 months, but not more than 18 months, prior to the date of permit expiration.

II. COMPLIANCE WITH PERMIT CONDITIONS

[A.A.C. R18-2-306.A.8.a; A.A.C. R18-2-306.A.8.b]

- A. The Permittee shall comply with all conditions of this permit including all applicable requirements of the Arizona air quality statutes and air quality rules. Any permit noncompliance constitutes a violation of the Arizona Revised Statutes and is grounds for enforcement action; for permit termination, revocation and reissuance, or revision; or for denial of a permit renewal application. In addition, noncompliance with any federally enforceable requirement constitutes a violation of the Clean Air Act.
- B. It shall not be a defense for a Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

III. PERMIT REVISION, REOPENING, REVOCATION AND REISSUANCE, OR TERMINATION FOR CAUSE

[A.A.C. R18-2-306.A.8.c; A.A.C. R18-2-321.A.1.c; A.A.C. R18-2-321.A.1.d; A.A.C. R18-2-321.A.2]

- A. The permit may be revised, reopened, revoked and reissued, or terminated for cause. The filing of a request by the Permittee for a permit revision, revocation and reissuance, termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition.
- B. The permit shall be reopened and revised under any of the following circumstances:
 - 1. Additional applicable requirements under the Clean Air Act become applicable to the Class I source. Such a reopening shall only occur if there are three or more years remaining in the permit term. The reopening shall be completed no later than 18 months after promulgation of the applicable requirement. No such reopening is required if the effective date of the requirement is later than the date on which the permit is due to expire, unless an application for renewal has been submitted pursuant to A.A.C. R18-2-322.B. Any permit revision required pursuant to this subparagraph shall comply with the provisions in A.A.C. R18-2-322 for permit renewal and shall reset the five-year permit term.

2. Additional requirements, including excess emissions requirements, become applicable to an affected source under the acid rain program. Upon approval by the Administrator, excess emissions offset plans shall be deemed to be incorporated into the Class I permit.
 3. The Director or the Administrator determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit.
 4. The Director or the Administrator determines that the permit needs to be revised or revoked to assure compliance with the applicable requirements.
- C. Proceedings to reopen and reissue a permit, including appeal of any final action relating to a permit reopening, shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of the permit for which cause to reopen exists. Such reopenings shall be made as expeditiously as practicable. Permit reopenings shall not result in a resetting of the five-year permit term.

IV. POSTING OF PERMIT

[A.A.C. R18-2-315]

- A. The Permittee shall post this permit or a certificate of permit issuance where the facility is located in such a manner as to be clearly visible and accessible. All equipment covered by this permit shall be clearly marked with one of the following:
1. Current permit number; or
 2. Serial number or other equipment ID number that is also listed in the permit to identify that piece of equipment.
- B. A copy of the complete permit shall be kept on site.

V. FEE PAYMENT

[A.A.C. R18-2-306.A.9; A.A.C. R18-2-326]

The Permittee shall pay fees to the Director pursuant to A.R.S. § 49-426(E) and A.A.C. R18-2-326.

VI. ANNUAL EMISSION INVENTORY QUESTIONNAIRE

[A.A.C. R18-2-327.A; A.A.C. R18-2-327.B]

- A. The Permittee shall complete and submit to the Director an annual emissions inventory questionnaire. The questionnaire is due by **March 31** or ninety days after the Director makes the inventory form available each year, whichever occurs later, and shall include emission information for the previous calendar year.
- B. The questionnaire shall be on a form provided by the Director and shall include the information required by A.A.C. R18-2-327.

VII. COMPLIANCE CERTIFICATION

[A.A.C. R18-2-309.2.a, -309.2.c-d, and -309.5.d]

- A. The Permittee shall submit a compliance certification to the Director semiannually, which describes the compliance status of the source with respect to each permit condition. The first certification shall be submitted no later than May 15th, and shall report the compliance status of the source during the period between October 1st of the previous year and March 31st of the current year. The second certification shall be submitted no later than November 15th, and shall report the compliance status of the source during the period between April 1st and September 30th of the current year.

The compliance certifications shall include the following:

1. Identification of each term or condition of the permit that is the basis of the certification;
 2. Identification of the methods or other means used by the Permittee for determining the compliance status with each term and condition during the certification period,
 3. The status of compliance with the terms and conditions of the permit for the period covered by the certification, including whether compliance during the period was continuous or intermittent. The certification shall be based on the methods or means designated in Condition VII.A.2 above. The certifications shall identify each deviation and take it into account for consideration in the compliance certification;
 4. For emission units subject to 40 CFR Part 64, the certification shall also identify as possible exceptions to compliance any period during which compliance is required and in which an excursion or exceedance defined under 40 CFR Part 64 occurred;
 5. All instances of deviations from permit requirements reported pursuant to Condition XII.B of this Attachment; and
 6. Other facts the Director may require to determine the compliance status of the source.
- B. A copy of all compliance certifications shall also be submitted to the EPA Administrator.
- C. If any outstanding compliance schedule exists, a progress report shall be submitted with the semi-annual compliance certifications required in Condition VII.A above.

VIII. CERTIFICATION OF TRUTH, ACCURACY AND COMPLETENESS

[A.A.C. R18-2-304.H]

Any document required to be submitted by this permit, including reports, shall contain a certification by a responsible official of truth, accuracy, and completeness. This certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

IX. INSPECTION AND ENTRY

[A.A.C. R18-2-309.4]

Upon presentation of proper credentials, the Permittee shall allow the Director or the authorized representative of the Director to:

- A. Enter upon the Permittee's premises where a source is located, emissions-related activity is conducted, or where records are required to be kept under the conditions of the permit;
- B. Have access to and copy, at reasonable times, any records that are required to be kept under the conditions of the permit;
- C. Inspect, at reasonable times, any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the permit;
- D. Sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with the permit or other applicable requirements; and
- E. Record any inspection by use of written, electronic, magnetic and photographic media.

X. PERMIT REVISION PURSUANT TO FEDERAL HAZARDOUS AIR POLLUTANT STANDARD

[A.A.C. R18-2-304.C]

If this source becomes subject to a standard promulgated by the Administrator pursuant to Section 112(d) of the Act, then the Permittee shall, within twelve months of the date on which the standard is promulgated, submit an application for a permit revision demonstrating how the source will comply with the standard.

XI. ACCIDENTAL RELEASE PROGRAM

[40 CFR Part 68]

If this source becomes subject to the provisions of 40 CFR Part 68, then the Permittee shall comply with these provisions according to the time line specified in 40 CFR Part 68.

XII. EXCESS EMISSIONS, PERMIT DEVIATIONS, AND EMERGENCY REPORTING

A. Excess Emissions Reporting

[A.A.C. R18-2-310.01]

- 1. Excess emissions shall be reported as follows:
 - a. The Permittee shall report to the Director any emissions in excess of the limits established by this permit. Such report shall be in two parts as specified below:
 - i. Notification by telephone or facsimile within 24 hours of the time when the Permittee first learned of the occurrence of excess emissions including all available information from Condition XII.A.1.b below.

- ii. Detailed written notification by submission of an excess emissions report within 72 hours of the notification pursuant to Condition XII.A.1.a.(i) above.

b. The report shall contain the following information:

- i. Identity of each stack or other emission point where the excess emissions occurred;
- ii. Magnitude of the excess emissions expressed in the units of the applicable emission limitation and the operating data and calculations used in determining the magnitude of the excess emissions;
- iii. Date, time and duration, or expected duration, of the excess emissions;
- iv. Identity of the equipment from which the excess emissions emanated;
- v. Nature and cause of such emissions;
- vi. If the excess emissions were the result of a malfunction, steps taken to remedy the malfunction and the steps taken or planned to prevent the recurrence of such malfunctions; and
- vii. Steps taken to limit the excess emissions. If the excess emissions resulted from start-up or malfunction, the report shall contain a list of the steps taken to comply with the permit procedures.

- 2. In the case of continuous or recurring excess emissions, the notification requirements of this section shall be satisfied if the source provides the required notification after excess emissions are first detected and includes in such notification an estimate of the time the excess emissions will continue. Excess emissions occurring after the estimated time period, or changes in the nature of the emissions as originally reported, shall require additional notification pursuant to Condition XII.A.1 above.

[A.A.C. R18-2-310.01.C]

B. Permit Deviations Reporting

[A.A.C. R18-2-306.A.5.b]

The Permittee shall promptly report deviations from permit requirements, including those attributable to upset conditions as defined in the permit, the probable cause of such deviations, and any corrective actions or preventive measures taken. Prompt reporting shall mean that the report was submitted to the Director by certified mail, facsimile, or hand delivery within two working days of the time when emission limitations were exceeded due to an emergency or within two working days of the time when the owner or operator first learned of the occurrence of a deviation from a permit requirement.

C. Emergency Provision

[A.A.C. R18-2-306.E]

1. An "emergency" means any situation arising from sudden and reasonable unforeseeable events beyond the control of the source, including acts of God, that require immediate corrective action to restore normal operation, and that causes the source to exceed a technology-based emission limitation under the permit, due to unavoidable increases in emissions attributable to the emergency. An emergency shall not include noncompliance to the extent caused by improperly designed equipment, lack of preventative maintenance, careless or improper operation, or operator error.
2. An emergency constitutes an affirmative defense to an action brought for noncompliance with such technology-based emission limitations if Condition XII.C.3 below is met.
3. The affirmative defense of emergency shall be demonstrated through properly signed, contemporaneous operating logs, or other relevant evidence that:
 - a. An emergency occurred and that the Permittee can identify the cause(s) of the emergency;
 - b. The permitted facility was being properly operated at the time;
 - c. During the period of the emergency, the Permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards or other requirements in the permit; and
 - d. The Permittee submitted notice of the emergency to the Director by certified mail, facsimile, or hand delivery within two working days of the time when emission limitations were exceeded due to the emergency. This notice shall contain a description of the emergency, any steps taken to mitigate emissions, and corrective action taken.
4. In any enforcement proceeding, the Permittee seeking to establish the occurrence of an emergency has the burden of proof.
5. This provision is in addition to any emergency or upset provision contained in any applicable requirement.

D. Compliance Schedule

[A.R.S. § 49-426.I.5]

For any excess emission or permit deviation that cannot be corrected within 72 hours, the Permittee is required to submit a compliance schedule to the Director within 21 days of such occurrence. The compliance schedule shall include a schedule of remedial measures, including an enforceable sequence of actions with milestones, leading to compliance with the permit terms or conditions that have been violated.

E. Affirmative Defenses for Excess Emissions Due to Malfunctions, Startup, and Shutdown

[A.A.C. R18-2-310]

1. Applicability

This rule establishes affirmative defenses for certain emissions in excess of an emission standard or limitation and applies to all emission standards or limitations except for standards or limitations:

- a. Promulgated pursuant to Sections 111 or 112 of the Act;
- b. Promulgated pursuant to Titles IV or VI of the Clean Air Act;
- c. Contained in any Prevention of Significant Deterioration (PSD) or New Source Review (NSR) permit issued by the U.S. EPA;
- d. Contained in A.A.C. R18-2-715.F; or
- e. Included in a permit to meet the requirements of A.A.C. R18-2-406.A.5.

2. Affirmative Defense for Malfunctions

Emissions in excess of an applicable emission limitation due to malfunction shall constitute a violation. When emissions in excess of an applicable emission limitation are due to a malfunction, the Permittee has an affirmative defense to a civil or administrative enforcement proceeding based on that violation, other than a judicial action seeking injunctive relief, if the Permittee has complied with the reporting requirements of A.A.C. R18-2-310.01 and has demonstrated all of the following:

- a. The excess emissions resulted from a sudden and unavoidable breakdown of process equipment or air pollution control equipment beyond the reasonable control of the Permittee;
- b. The air pollution control equipment, process equipment, or processes were at all times maintained and operated in a manner consistent with good practice for minimizing emissions;
- c. If repairs were required, the repairs were made in an expeditious fashion when the applicable emission limitations were being exceeded. Off-shift labor and overtime were utilized where practicable to ensure that the repairs were made as expeditiously as possible. If off-shift labor and overtime were not utilized, the Permittee satisfactorily demonstrated that the measures were impracticable;
- d. The amount and duration of the excess emissions (including any bypass operation) were minimized to the maximum extent practicable during periods of such emissions;

- e. All reasonable steps were taken to minimize the impact of the excess emissions on ambient air quality;
- f. The excess emissions were not part of a recurring pattern indicative of inadequate design, operation, or maintenance;
- g. During the period of excess emissions there were no exceedances of the relevant ambient air quality standards established in Title 18, Chapter 2, Article 2 of the Arizona Administrative Code that could be attributed to the emitting source;
- h. The excess emissions did not stem from any activity or event that could have been foreseen and avoided, or planned, and could not have been avoided by better operations and maintenance practices;
- i. All emissions monitoring systems were kept in operation if at all practicable; and
- j. The Permittee's actions in response to the excess emissions were documented by contemporaneous records.

3. Affirmative Defense for Startup and Shutdown

- a. Except as provided in Condition XII E.3.b below, and unless otherwise provided for in the applicable requirement, emissions in excess of an applicable emission limitation due to startup and shutdown shall constitute a violation. When emissions in excess of an applicable emission limitation are due to startup and shutdown, the Permittee has an affirmative defense to a civil or administrative enforcement proceeding based on that violation, other than a judicial action seeking injunctive relief, if the Permittee has complied with the reporting requirements of A.A.C. R18-2-310.01 and has demonstrated all of the following:
 - i. The excess emissions could not have been prevented through careful and prudent planning and design;
 - ii. If the excess emissions were the result of a bypass of control equipment, the bypass was unavoidable to prevent loss of life, personal injury, or severe damage to air pollution control equipment, production equipment, or other property;
 - iii. The air pollution control equipment, process equipment, or processes were at all times maintained and operated in a manner consistent with good practice for minimizing emissions;
 - iv. The amount and duration of the excess emissions (including any bypass operation) were minimized to the maximum extent practicable during periods of such emissions;

- v. All reasonable steps were taken to minimize the impact of the excess emissions on ambient air quality;
 - vi. During the period of excess emissions there were no exceedances of the relevant ambient air quality standards established in Title 18, Chapter 2, Article 2 of the Arizona Administrative Code that could be attributed to the emitting source;
 - vii. All emissions monitoring systems were kept in operation if at all practicable; and
 - viii. Contemporaneous records documented the Permittee's actions in response to the excess emissions.
- b. If excess emissions occur due to a malfunction during routine startup and shutdown, then those instances shall be treated as other malfunctions subject to Condition XII.E.2 above.

4. Affirmative Defense for Malfunctions During Scheduled Maintenance.

If excess emissions occur due to a malfunction during scheduled maintenance, then those instances will be treated as other malfunctions subject to Condition XII.E.2 above.

5. Demonstration of Reasonable and Practicable Measures

For an affirmative defense under Condition XII.E.2 above or XII.E.3 above, the Permittee shall demonstrate, through submission of the data and information required by Condition XII.E above and A.A.C. R18-2-310.01, that all reasonable and practicable measures within the Permittee's control were implemented to prevent the occurrence of the excess emissions.

XIII. RECORD KEEPING REQUIREMENTS

[A.A.C. R18-2-306.A.4]

- A. The Permittee shall keep records of all required monitoring information including, but not limited to, the following:
- 1. The date, place as defined in the permit, and time of sampling or measurements;
 - 2. The date(s) analyses were performed;
 - 3. The name of the company or entity that performed the analyses;
 - 4. A description of the analytical techniques or methods used;
 - 5. The results of such analyses; and
 - 6. The operating conditions as existing at the time of sampling or measurement.

- B. The Permittee shall retain records of all required monitoring data and support information for a period of at least 5 years from the date of the monitoring sample, measurement, report, or application. Support information includes all calibration and maintenance records and all original strip-chart recordings or other data recordings for continuous monitoring instrumentation, and copies of all reports required by the permit.
- C. All required records shall be maintained either in an unchangeable electronic format or in a handwritten logbook utilizing indelible ink.

XIV. REPORTING REQUIREMENTS

[A.A.C. R18-2-306.A.5.a]

The Permittee shall submit the following reports:

- A. Compliance certifications in accordance with Section VII of Attachment "A".
- B. Excess emission; permit deviation, and emergency reports in accordance with Section XII of Attachment "A".
- C. Other reports required by any condition of Attachment "B".

XV. DUTY TO PROVIDE INFORMATION

[A.A.C. R18-2-304.G; A.A.C. R18-2-306.A.8.e]

- A. The Permittee shall furnish to the Director, within a reasonable time, any information that the Director may request in writing to determine whether cause exists for revising, revoking and reissuing, or terminating the permit, or to determine compliance with the permit. Upon request, the Permittee shall also furnish to the Director copies of records required to be kept by the permit. For information claimed to be confidential, the Permittee shall furnish an additional copy of such records directly to the Administrator along with a claim of confidentiality.
- B. If the Permittee has failed to submit any relevant facts or has submitted incorrect information in the permit application, the Permittee shall, upon becoming aware of such failure or incorrect submittal, promptly submit such supplementary facts or corrected information.

XVI. PERMIT AMENDMENT OR REVISION

[A.A.C. R18-2-317.01; A.A.C. R18-2-318; A.A.C. R18-2-319; A.A.C. R18-2-320]

- A. The Permittee shall apply for a permit amendment or revision for changes to the facility which do not qualify for a facility change without revision under Condition XVII below, as follows:
 - 1. Administrative Permit Amendment (A.A.C. R18-2-318);
 - 2. Minor Permit Revision (A.A.C. R18-2-319); and
 - 3. Significant Permit Revision (A.A.C. R18-2-320)

- B. The applicability and requirements for such action are defined in the above referenced regulations.

XVII. FACILITY CHANGE WITHOUT A PERMIT REVISION

[A.A.C. R18-2-306.A.4; A.A.C. R18-2-317]

- A. The Permittee may make changes at the permitted source without a permit revision if all of the following apply:
1. The changes are not modifications under any provision of Title I of the Act or under A.R.S. § 49-401.01(19);
 2. The changes do not exceed the emissions allowable under the permit whether expressed therein as a rate of emissions or in terms of total emissions;
 3. The changes do not violate any applicable requirements or trigger any additional applicable requirements;
 4. The changes satisfy all requirements for a minor permit revision under A.A.C. R18-2-319.A; and
 5. The changes do not contravene federally enforceable permit terms and conditions that are monitoring (including test methods), record keeping, reporting, or compliance certification requirements.
- B. The substitution of an item of process or pollution control equipment for an identical or substantially similar item of process or pollution control equipment shall qualify as a change that does not require a permit revision, if it meets all of the requirements of Conditions XVII.A above and XVII.C below.
- C. For each change under Conditions XVII.A and XVII.B above, a written notice by certified mail or hand delivery shall be received by the Director and the Administrator a minimum of 7 working days in advance of the change. Notifications of changes associated with emergency conditions, such as malfunctions necessitating the replacement of equipment, may be provided less than 7 working days in advance of the change, but must be provided as far in advance of the change as possible or, if advance notification is not practicable, as soon after the change as possible.
- D. Each notification shall include:
1. When the proposed change will occur;
 2. A description of the change;
 3. Any change in emissions of regulated air pollutants; and
 4. Any permit term or condition that is no longer applicable as a result of the change.

- E. The permit shield described in A.A.C. R18-2-325 shall not apply to any change made under this Section, other than implementation of an alternate to Conditions XVII.A and XVII.B above.
- F. Except as otherwise provided for in the permit, making a change from one alternative operating scenario to another as provided under A.A.C. R18-2-306.A.11 shall not require any prior notice under this Section.
- G. Notwithstanding any other part of this Section, the Director may require a permit to be revised for any change that, when considered together with any other changes submitted by the same source under this Section over the term of the permit, do not satisfy Condition XVII.A above.

XVIII. TESTING REQUIREMENTS

[A.A.C. R18-2-312]

A. Requirement

The Permittee shall conduct performance tests as specified in the permit and at such other times as may be required by the Director.

B. Operational Conditions During Testing

Tests shall be conducted during operation at the maximum possible capacity of each unit under representative operational conditions unless other conditions are required by the applicable test method or in this permit. With prior written approval from the Director, testing may be performed at a lower rate. Operations during periods of start-up, shutdown, and malfunction (as defined in A.A.C. R18-2-101) shall not constitute representative operational conditions unless otherwise specified in the applicable standard.

C. Methods and Procedures

Tests shall be conducted and data reduced in accordance with the test methods and procedures contained in the Arizona Testing Manual unless modified by the Director pursuant to A.A.C. R18-2-312.B.

D. Test Plan

At least 14 calendar days prior to performing a test, the Permittee shall submit a test plan to the Director in accordance with A.A.C. R18-2-312.B and the Arizona Testing Manual. This test plan must include the following:

1. Test duration;
2. Test location(s);
3. Test method(s); and
4. Source operation and other parameters that may affect test results.

E. Stack Sampling Facilities

The Permittee shall provide, or cause to be provided, performance testing facilities as follows:

1. Sampling ports adequate for test methods applicable to the facility;
2. Safe sampling platform(s);
3. Safe access to sampling platform(s); and
4. Utilities for sampling and testing equipment.

F. Interpretation of Final Results

Each performance test shall consist of three separate runs using the applicable test method. Each run shall be conducted for the time and under the conditions specified in the applicable standard. For the purpose of determining compliance with an applicable standard, the arithmetic mean of the results of the three runs shall apply. In the event that a sample is accidentally lost or conditions occur in which one of the three runs is required to be discontinued because of forced shutdown, failure of an irreplaceable portion of the sample train, extreme meteorological conditions, or other circumstances beyond the Permittee's control, compliance may, upon the Director's approval, be determined using the arithmetic mean of the results of the other two runs. If the Director or the Director's designee is present, tests may only be stopped with the Director's or such designee's approval. If the Director or the Director's designee is not present, tests may only be stopped for good cause. Good cause includes: forced shutdown, failure of an irreplaceable portion of the sample train, extreme meteorological conditions, or other circumstances beyond the Permittee's control. Termination of any test without good cause after the first run is commenced shall constitute a failure of the test. Supporting documentation, which demonstrates good cause, must be submitted.

G. Report of Final Test Results

A written report of the results of all performance tests shall be submitted to the Director within 30 days after the test is performed. The report shall be submitted in accordance with the Arizona Testing Manual and A.A.C. R18-2-312.A.

XIX. PROPERTY RIGHTS

[A.A.C. R18-2-306.A.8.d]

This permit does not convey any property rights of any sort, or any exclusive privilege.

XX. SEVERABILITY CLAUSE

[A.A.C. R18-2-306.A.7]

The provisions of this permit are severable. In the event of a challenge to any portion of this permit, or if any portion of this permit is held invalid, the remaining permit conditions remain valid and in force.

XXI. PERMIT SHIELD

[A.A.C. R18-2-325]

Compliance with the conditions of this permit shall be deemed compliance with all applicable requirements identified in the portions of this permit subtitled "Permit Shield". The permit shield shall not apply to any minor revisions pursuant to Condition XVI.A.2 above and any facility changes without a permit revision pursuant to Condition XVII above.

XXII. PROTECTION OF STRATOSPHERIC OZONE

[40 CFR Part 82]

If this source becomes subject to the provisions of 40 CFR Part 82, then the Permittee shall comply with these provisions accordingly.

ATTACHMENT "B": SPECIFIC CONDITIONS

Air Quality Control Permit No. 35743 For North American Sleekcraft Mfg.

I. RELATIONSHIP OF PERMIT TO APPLICABLE STATE IMPLEMENTATION PLAN

[ARS § 49-404.c and -426]

This permit is issued pursuant to the provisions of the Arizona Revised Statutes (ARS) and constitutes an Installation Permit for the purpose of the applicable State Implementation Plan.

II. FACILITY WIDE REQUIREMENTS

A. Operating Limitations and Standards

1. Within 180 days of issuance of the permit, the Permittee shall have onsite or on call a person certified in EPA Reference Method 9.

[A.A.C. R18-2-306.A.3.c]

2. The Permittee shall not emit gaseous or odorous materials from the equipment listed in Attachment "C", operations or premises under his control in such quantities or concentrations as to cause air pollution.

[A.A.C. R18-2-730.D]

3. The Permittee shall not process, store, use, or transport materials including solvents or other volatile compounds in such a manner or by such means that they will evaporate, leak, escape or be otherwise discharged into ambient air so as to cause or contribute to air pollution.

[A.A.C. R18-2-730.F]

4. The Permittee shall apply resin using a mechanical non-atomized method only.

[A.A.C. R18-2-331.3.a and R18-2-306.01]

[Material Permit Condition identified by underline and italics]

5. For each raw material used, the styrene content shall be determined by using the Material Safety Data Sheets (MSDS) provided by the supplier for each material used. If the MSDS provides a styrene content range, the highest number in the range shall be used for all calculations. The Permittee shall obtain a certification from the supplier as to the accuracy of the MSDS.

[A.A.C. R18-2-306.A.3.C]

B. Monitoring and Record Keeping Requirements

1. At the time the compliance certifications required by Section VII of Attachment "A" are submitted, the Permittee shall submit reports of all monitoring activities, and record keeping required by this Attachment performed in the same period as applies to the compliance certification period.

[A.A.C. R18-2-306.A.5.a]

2. The Permittee shall retain all MSDS sheets used in calculating styrene emissions along with supplier certifications.

[A.A.C. R18-2-306.A.4]

3. Records must be readily available and in a form that can be easily inspected and reviewed.

[40 CFR 63.5770(a)]

4. The Permittee must keep each record for 5 years following the date that each record is generated.

[40 CFR 63.5770(b)]

5. The Permittee must keep each record on site for the first 2 years after the date that each record is generated. The Permittee may keep the records offsite for the remaining 3 years.

[40 CFR 63.5770(c)]

6. The Permittee must keep records on paper or an alternative media, such as microfilm, computer, computer disks, magnetic tape, or on microfiche.

[40 CFR 63.5770(d)]

7. The Permittee shall keep a log of all maintenance activities performed on the spray booth.

[A.A.C. R18-2-306.A.4]

C. MACT Requirements for Hazardous Air Pollutants

1. Emission Limitations and Standards for Open Molding

- a. The Permittee shall demonstrate compliance by using resins and gel coats that meet the organic HAP content requirements in Table 1 on a 12-month rolling average.

[40 CFR 63.5701(b)]

Table 1 - Alternative Organic HAP Content Requirements for Open Molding Resin and Gel Coat Operations

For This Operation	And This Application Method	The Permittee Must Not Exceed this Weight-average Organic HAP Content (Weight Percent) Requirement
Production Resin Operations	Atomized (Spray)	28 Percent
Production Resin Operations	Nonatomized (nonspray)	35 Percent
Pigmented Gel Coat Operations	Any Method	33 Percent
Clear Gel Coat Operations	Any Method	48 Percent
Tooling Resin Operations	Atomized (Spray)	30 Percent
Tooling Resin Operations	Nonatomized (nonspray)	39 Percent
Tooling Gel Coat Operations	Any Method	40 Percent

- b. For each open molding operation, the Permittee must demonstrate compliance by performing the steps in Conditions II.C.1.b.i through II.C.1.b.iii below.

[40 CFR 63.5704(b)(1)]

- i. Use the methods specified in Condition II.C.1.c of Attachment "B" to determine the organic HAP content of resins and gel coats.

- ii. Complete the calculations described in Condition II.C.1.d of Attachment "B" to show that the weighted-average organic HAP content does not exceed the limit specified in Table 1 of this section.

- iii. Keep records as specified in Condition II.C.3.a of Attachment "B" for each resin and gel coat.

- c. In order to determine the organic HAP content in open molding resin, gel coat operations, and carpet and fabric adhesive operations, the Permittee must use information from the supplier or manufacturer of the material, according to steps in Conditions II.C.1.c.i through II.C.1.c.iii below.

[40 CFR 63.5758(a)(5)]

- i. Include in the organic HAP total each organic HAP that is present at 0.1 percent by mass or more for OSHA-defined carcinogens as specified in 29 CFR 1910.1200(d)(4) and at 1.0 percent by mass or more for other compounds.

- ii. If the organic HAP content is provided by the material supplier or manufacturer as a range, then the Permittee must use the upper limit of the range for determining compliance. If a

separate measurement of the total organic HAP content using the methods specified in 40 CFR 63.5758 (a)(1) through (4) exceeds the upper limit of the range of the total organic HAP content provided by the material supplier or manufacturer, then the Permittee must use the measured organic HAP content to determine compliance.

- iii. If the organic HAP content is provided as a single value, the Permittee may assume the value is a manufacturing target value and actual organic HAP content may vary from the target value. If a separate measurement of the total organic HAP content using the methods specified in 40 CFR 63.5758 (a)(1) through (4) is less than 2 percentage points higher than the value for total organic HAP content provided by the material supplier or manufacturer, then the Permittee may use the provided value to demonstrate compliance. If the measured total organic HAP content exceeds the provided value by 2 percentage points or more, then the Permittee must use the measured organic HAP content to determine compliance.

- d. At the end of every month the Permittee must use equation 1 below to calculate the weighted average organic HAP content for all resins and gel coats used in each operation in the past 12 months. The weighted average organic HAP content must not exceed the applicable organic HAP content limit specified in Table 1.

[40 CFR 63.5713(a), 63.5704(b)(2)]

$$\text{Weighted-Average HAP Content (\%)} = \frac{\sum_{i=1}^n (M_i \text{ HAP}_i)}{\sum_{i=1}^n (M_i)} \quad (\text{Eq. 1})$$

Where:

M_i = mass of open molding resin or gel coat i used in the past 12 months in an operation, megagrams.

HAP_i = Organic HAP content, by weight percent, of open molding resin or gel coat i used in the past 12 months in an operation. Use the methods in II.C.1.c of Attachment "B" to determine organic HAP content.

n = number of different open molding resins or gel coats used in the past 12 months in an operation.

2. Emission Limitations and Standards for Carpet and Fabric Adhesive Operations
[40 CFR 63.5740]

- a. The Permittee must use carpet and fabric adhesives that contain no more than 5 percent organic HAP by weight.
- b. To demonstrate compliance with Condition II.C.2.a above, the Permittee must determine and record the organic HAP content of the carpet and fabric adhesives using the methods in Condition II.C.1.c of this part.

3. Monitoring and Record Keeping Requirements

- a. The Permittee must keep records as specified in the conditions below for each resin and gel coat:
[40 CFR 63.5704(b)(3)]

- i. Hazardous Air Pollutant Content
- ii. Amount of material used per month. This record is not required for an operation if all materials used for the operation comply with the organic HAP content requirements.
- iii. Calculation performed to demonstrate compliance based on weighted-average organic HAP content as described in Condition II.C.1.d of Attachment "B".

- b. The Permittee must keep records of the following in addition to those required in Condition II.C.3.a:

[40 CFR 63.5767(a), 63.5767(b), 63.5767(c)(1)]

- i. A copy of each notification and report that was submitted to the Department.
- ii. A copy of all documentation supporting any notification or report submitted to the Department.
- iii. The total amounts of open molding production resin, pigmented gel coat, clear gel coat, tooling resin, and tooling gel coats used per month and the weighted average organic HAP content for each operation, expressed as weight percent.

4. Reporting Requirements

- a. The Permittee must submit semiannual compliance reports to the Director as specified below:

[40 CFR 63.5764(b)]

- i. The first certification shall be submitted no later than May 15th, and shall report the compliance status of the source during the

period between October 1st of the previous year and March 31st of the current year.

- ii. The first compliance report must be postmarked or delivered no later than 60 calendar days after the end of the compliance reporting period specified in Condition II.C.4.a.i above.
- b. The compliance reports required in Condition II.C.4.a must include the following information:

[40 CFR 63.5764(d)]

- i. Company name and address.
- ii. A statement by a responsible official with that official's name, title, and signature, certifying the truth, accuracy, and completeness of the report.
- iii. The date of the report and the beginning and ending dates of the reporting period.
- iv. A description of any changes in the manufacturing process since the last compliance report.
- v. A statement or table showing, for each regulated operation, the applicable organic HAP content limit with which the Permittee is complying. The statement or table must also show the actual weighted-average organic HAP content for each operation during each of the rolling 12-month averaging periods that end during the reporting period.
- vi. If the Permittee was in compliance with the emission limits and work practice standards during the reporting period, then the Permittee must include a statement to that effect.
- vii. If the Permittee deviated from an emission limit or work practice standard during the reporting period, the Permittee must also include the information listed below:
 - 1. A description of the operation involved in the deviation.
 - 2. The quantity, organic HAP content, and application method (if relevant) of the materials involved in the deviation.
 - 3. A description of any corrective action that was taken to minimize the deviation and actions you have taken to prevent it from happening again.
 - 4. A statement of whether or not the facility was in compliance for the 12-month averaging period that ended at the end of the reporting period.

D. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with A.A.C. R18-2-730.D, A.A.C. R18-2-730.F, CFR 63.5701, CFR 63.5704, CFR 63.5758, CFR 63.5764, CFR 63.5704, and CFR 63.5713.

[A.A.C. R18-2-325]

III. SPRAY BOOTHS

A. Operational Requirements

1. All emissions from the spray room shall be discharged through a spray booth stack, capable of containing no less than 96% of the overspray.

[A.A.C. R18-2-727.A]

2. The spray booth stack shall have a minimum height of 30 feet above ground level.

[A.A.C. R18-2-306.A.2]

3. The Permittee shall install, maintain and operate the spray booths and associated equipment in accordance with the manufacturer's specifications.

[A.A.C. R18-2-331.A.3.d, -331.A.3.e, -306.A.2]

[Material Permit Condition identified by underline and italics]

4. The Permittee shall operate the spray booth fan at all times when the spray booth is in operation.

[A.A.C. R18-2-306.A.2]

B. Particulate Matter and Opacity

1. Emission Limitations and Standards

The Permittee shall not cause, allow, or permit to be emitted into the atmosphere from any spray painting operations, opacity of greater than 20% as measured by EPA Reference Method 9.

[A.A.C. R18-2-702.B]

2. Monitoring and Record Keeping Requirements

A certified EPA Reference Method 9 observer shall conduct a monthly survey of visible emissions emanating from the stack of the spray booth. If the opacity of the emissions observed appears to exceed the standard, the observer shall conduct a certified EPA Reference Method 9 observation. The Permittee shall keep records of the name of the observer, date and time of the survey and observation, result of the observation, and any corrective action taken.

[A.A.C. R18-2-306.A.3.c]

3. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with A.A.C. R18-2-727.A and A.A.C. R18-2-702.B.

C. Volatile Organic Compounds (VOCs)

1. The Permittee shall not:

[A.A.C. R18-2-727.B]

- a. Employ, apply, evaporate or dry any architectural coating containing photochemically reactive solvents for industrial or commercial purposes; or
- b. Thin or dilute any architectural coating with a photochemically reactive solvent.

2. For purposes of Condition III.C.1 above, a photochemically reactive solvent shall be any solvent with an aggregate of more than 20% of its total volume composed of the chemical compounds classified in subsections (a) through (c) below, or which exceeds any of the following percentage composition limitations, referred to the total volume of solvent:

[A.A.C. R18-2-727.C]

- a. A combination of the following types of compounds having an olefinic or cyclo-olefinic type of unsaturation -- hydrocarbons, alcohols, aldehydes, esters, ethers, or ketones: 5%.
- b. A combination of aromatic compounds with 8 or more carbon atoms to the molecule except ethylbenzene: 8%.
- c. A combination of ethylbenzene, ketones having branched hydrocarbon structures, trichlorethylene or toluene: 20%.

3. Whenever any organic solvent or any constituent of an organic solvent may be classified from its chemical structure into more than one of the groups or organic compounds described in III.C.2 above, it shall be considered to be a member of the group having the least allowable percent of the total volume of solvents.

[A.A.C. R18-2-727.D]

4. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with A.A.C. R18-2-727.B, A.A.C. R18-2-727.C, and A.A.C. R18-2-727.D.

[A.A.C. R18-2-325]

IV. LAMINATION ROOM

Operational Limitations and Standards

- A. The Permittee shall operate the lamination room stack exhaust fan at all times that lamination is being applied.

[A.A.C. R18-2-306.A.2]

- B. The Permittee shall not obstruct the inlet flow to the exhaust fan.

C. Particulate Matter and Opacity

1. Emission Limitations and Standards

The Permittee shall not cause, allow, or permit to be emitted into the atmosphere from the lamination room stack, opacity of greater than 20% as measured by EPA Reference Method 9.

[A.A.C. R18-2-702.B]

2. Monitoring and Record Keeping Requirements

A certified EPA Reference Method 9 observer shall conduct a monthly survey of visible emissions emanating from the stack of the lamination room. If the opacity of the emissions observed appears to exceed the standard, the observer shall conduct a certified EPA Reference Method 9 observation. The Permittee shall keep records of the name of the observer, date and time of the survey and observation, result of the observation, and any corrective action taken.

[A.A.C. R18-2-306.A.3.c]

3. Permit Shield

Compliance with the conditions of this Part shall be deemed compliance with A.A.C. R18-2-702.B.

[A.A.C. R18-2-325]

V. MOBILE SOURCE REQUIREMENTS

A. Applicability

The requirements of this Section are applicable to mobile sources which either move while emitting air contaminants or are frequently moved during the course of their utilization but are not classified as motor vehicles, agricultural vehicles, or are agricultural equipment used in normal farm operations. Mobile sources shall not include portable sources as defined in A.A.C. R18-2-101.90.

[A.A.C. R18-2-801.A]

B. Particulate Matter and Opacity

1. Emission Limitations/Standards

a. Off-Road Machinery

The Permittee shall not cause, allow, or permit to be emitted into the atmosphere from any off-road machinery, smoke for any period greater than ten consecutive seconds, the opacity of which exceeds 40%. Visible emissions when starting cold equipment shall be exempt from this requirement for the first ten minutes. Off-road machinery shall include trucks, graders, scrapers, rollers, and other construction and mining machinery not normally driven on a completed public roadway.

b. Roadway and Site Cleaning Machinery

- i. The Permittee shall not cause, allow or permit to be emitted into the atmosphere from any roadway and site cleaning machinery smoke or dust for any period greater than ten consecutive seconds, the opacity of which exceeds 40%. Visible emissions when starting cold equipment shall be exempt from this requirement for the first ten minutes.

[A.A.C.R18-2-804.A]

- ii. The Permittee shall take reasonable precautions, such as the use of dust suppressants, before the cleaning of a site, roadway, or alley. Earth or other material shall be removed from paved streets onto which earth or other material has been transported by trucking or earth moving equipment, erosion by water or by other means.

[A.A.C. R18-2-804.B]

- c. Unless otherwise specified, no mobile source shall emit smoke or dust the opacity of which exceeds 40%.

[A.A.C.R18-2-801.B]

2. Recordkeeping Requirement

The Permittee shall keep a record of all emissions related maintenance activities performed on the Permittee's mobile sources stationed at the facility as per manufacturer's specifications.

[A.A.C.R18-2-306.A.5.a]

3. Permit Shield

Compliance with this Section shall be deemed compliance with A.A.C. R18-2-801, A.A.C. R18-2-802.A, A.A.C. R18-2-804.A and A.A.C. R18-2-804.B.

[A.A.C.R18-2-325]

VI. OTHER PERIODIC ACTIVITY REQUIREMENTS

A. Abrasive Blasting

Particulate Matter and Opacity

1. Emission Limitations/Standards

- a. The Permittee shall not cause or allow sandblasting or other abrasive blasting without minimizing dust emissions to the atmosphere through the use of good modern practices. Good modern practices include:

- i. wet blasting;
- ii. effective enclosures with necessary dust collecting equipment; or
- iii. any other method approved by the Director.

[A.A.C. R18-2-726]

b. Opacity

The Permittee shall not cause, allow or permit visible emissions from sandblasting or other abrasive blasting operations in excess of 20% opacity, as measured by EPA Reference Method 9.

[A.A.C. R18-2-702.B]

2. Monitoring and Recordkeeping Requirement

Each time an abrasive blasting project is conducted, the Permittee shall log in ink or in an electronic format, a record of the following:

- a. The date the project was conducted;
- b. The duration of the project; and
- c. Type of control measures employed.

[A.A.C. R18-2-306.A.3.c]

3. Permit Shield

Compliance with this Part shall be deemed compliance with A.A.C. R18-2-726, A.A.C. R18-2-702.B.

[A.A.C. R18-2-325]

B. Demolition/Renovation - Hazardous Air Pollutants

1. Emission Limitation/Standard

The Permittee shall comply with all of the requirements of 40 CFR 61 Subpart M (National Emissions Standards for Hazardous Air Pollutants - Asbestos).

[A.A.C. R18-2-1101.A.8]

2. Monitoring and Recordkeeping Requirement

The Permittee shall keep all required records in a file. The required records shall include the "NESHAP Notification for Renovation and Demolition Activities" form and all supporting documents.

[A.A.C. R18-2-306.A.3.c]

3. Permit Shield

[A.A.C. R18-2-325]

Compliance with the conditions of this Part shall be deemed compliance with A.A.C. R18-2-1101.A.8.

draft

ATTACHMENT "C": EQUIPMENT LIST

Air Quality Control Permit No. 35743

For

North American Sleekcraft Mfg.

EQUIPMENT TYPE	MAXIMUM CAPACITY	MAKE	MODEL	SERIAL NUMBER	EQUIPMENT ID	DATE OF MFG.	CONTROL MEASURE	EMISSION POINT ID

